



Interfaith Power & Light (DC.MD.NoVA)

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Testimony on SB 528 –

SB 528: Climate Solutions Now Act

Environment & Transportation Committee // Economic Matters Committee

Position: Favorable

Interfaith Power & Light (DC.MD.NoVA) supports SB 528.

Congregations of many faith traditions all across Maryland are taking action on the climate crisis because we are heartsick knowing that our climate pollution is hurting our neighbors, here and throughout the world.

It is simply not just that all of us, and especially communities of color, our elderly, and our young people, have paid the price for that pollution. Marylanders have paid for dirty energy with our health. We've paid when a disrupted climate exacerbates storms and brings flooding, like the *two* "thousand-year" floods that hit Ellicott City in 22 months.

That's why people of faith are taking action—choosing electric appliances that don't use harmful methane gas, installing solar panels on houses of worship and buying clean energy for our sacred spaces, and changing our transportation habits by riding public transit and buying electric vehicles.

In houses of worship across the state, clergy and lay leaders are sharing the message that another world is possible. The Climate Solutions Now Act is a way, here in Maryland, to take a meaningful step towards making that vision more real.

We can set a timeline for getting Maryland to net-zero climate pollution. We can make our largest buildings more efficient, saving money and saving our lungs from the damage caused by indoor air pollution. We can electrify our state vehicles, cleaning our air and reducing the number of childhood asthma attacks. And, with amendments listed below, we can ensure that all of our communities benefit from and have a say in this process.

Maryland's faith communities are acting for our common home, for our neighbors, and for a clean energy economy. We call on our legislators to do the same.

We urge the committee to give SB 528 a favorable report, and we support the amendments submitted by the Maryland Climate Partners.

marylandclimatepartners

Climate Solutions Now Act of 2022 (SB528)

The Maryland State Senate passed the Climate Solutions Now Act (SB 528) - now it's up to the House to strengthen and pass it quickly!

The Climate Solutions Now Act of 2022 was introduced to set ambitious but achievable climate pollution reduction goals and outline a plan to reach those goals. After going through two standing committees and passing the Senate on the third reader, the bill looks a little different. So, what are the best parts of the Climate Solutions Now Act of 2022 and what do we need to improve in the House?

Strengths of Climate Solutions Now

- **Updating our GHG Reduction Plan** - [SB528](#) sets a goal of 60% reductions by 2030, in order to reach net-zero GHG emissions by 2045 and updates our methane accounting practices.
- **Reducing emissions from our buildings** - [SB528](#) directs the Maryland Dept. of the Environment (MDE) to create a **Building Energy Performance Standard** for existing buildings to reduce the direct emissions from state-owned buildings by 50% by 2030 and large private buildings by 30% by 2035. It also requires state-owned buildings to reach net-zero emissions by 2035 and private buildings to reach net-zero emissions by 2040.
- **Piloting Net-Zero School Construction** - [SB528](#) provides funding for at least one new net-zero school in each county by 2033.
- **Promoting Climate Equity** - [SB528](#) directs the MDE to study cumulative impacts and define/identify communities disproportionately affected by climate change, creating a **Climate Justice Corps** to assist the state in achieving GHG targets, establishing a **Just Transition Employment and Retraining Working Group**, and establishing the **Climate Catalytic Capital Fund** (administered by the Maryland Clean Energy Center) to support projects to reduce GHG emissions in low-to-moderate income (LMI) communities.
- **Electrifying our state-owned vehicles** - [SB528](#) requires that a portion of the passenger cars and light-duty vehicles purchased for the state fleet be ZEV starting with passenger cars in fiscal year 2023 and reaching 100% of all new light-duty vehicles by 2027. It also requires all new contracts for the purchase or use of a school bus to be zero-emission vehicles, starting in 2025.

Opportunities for the House to improve Climate Solutions Now

Ensuring the Electrification Study is efficient, legitimate, and inclusive

New provisions in SB528 direct the Public Service Commission (PSC) to study the state's electric grid infrastructure to determine if it is capable of accommodating the additional load of building electrification. As written, the bill gives a lot of deference to utilities without any assurances of stakeholder engagement, data transparency, or guidelines to ensure accurate and legitimate results. Amendments need to be made to ensure that the PSC study is done **accurately, efficiently, and with broad electrification in mind**.

Improving the Building Energy Performance Standard program

First, the language in SB528 regarding exceptions from the Building Energy Performance Standards is overly broad and vague. Some categorical exemptions in the bill are appropriate, such as for historic properties. The legislation already directs MDE to create rules that offer maximum flexibility, including special provisions for unique circumstances or the ability to pay an alternative compliance fee. The

legislation should be amended to clarify building types and conditions which may warrant special consideration, but not additional exceptions.

Second, a successful program must have clear guidance for what information a building owner is expected to report and how. Initially, the Senate bill was clear that building owners should report their electricity and gas usage (found on their utility bills). It also specified a widely-accepted tool, Energy Star Portfolio Manager, or another similar benchmarking tool should be used. However, this language was removed, leaving only a confusing requirement that building owners report on their emissions, which is overly burdensome and hard to do. The legislation should be amended to require building owners to report on electricity and gas usage, fuel type, and square footage, and to direct MDE to adopt an easy, available reporting tool, so they can calculate direct emissions for building owners. These amendments will make it easier for building owners to comply and provide MDE with the information they need.

Electrifying our state-owned buildings

Though provisions to electrify new private buildings were removed from SB528, we have an opportunity for state buildings to lead by example. We should advance provisions from HB806 that require all newly constructed buildings that receive 25% or more of their funding from the state to meet water and space heating needs with electric systems.

Defining “overburdened” and “underserved” communities

Over the last several months, a coalition of community, legal, research, and advocacy groups from across the state worked on consensus definitions for overburdened, underserved, and environmental justice communities across legislative proposals. The indicators used to identify underserved communities are based on U.S. Census data to capture communities with a higher proportion of non-white, low-income, and linguistically isolated residents than the statewide average. The indicators used to identify overburdened communities are based on exposure to environmental harm, health risk, and access to decision-making. As MDE undertakes the work to identify communities disproportionately affected by climate solutions, we recommend using these consensus definitions of “overburdened” and “underserved.” Including these definitions in the bill text is critical and will save MDE and the CEJSC time and money as they direct climate investment to communities that need it the most.

Aligning EmPOWER and SEIF with climate and energy goals

Climate Solutions Now, as well as several other state laws and bills under consideration, expresses Maryland’s intent to move towards electrification. Yet, funding from EmPOWER and the Strategic Energy Investment Fund (SEIF) still incentivize fossil fuel energy systems. Amendments should include:

- Provisions from HB708 that prohibit the use of EmPOWER Funds for fossil fuel systems and encourage and promote the replacement of fossil fuel systems with electric systems should be added to SB528.
- Provisions that specify that SEIF funding can only be used for new fossil fuel projects if they have lower GHG than all-electric options.
- The core objective of EmPOWER should shift from focusing solely on reduced electricity consumption to emphasizing reduced/avoided greenhouse gas emissions.

For more information or if you’d like exact amendment language, contact Victoria Venable at victoria@chesapeakeclimate.org